

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



August 11, 1987

ALL COUNTY LETTER NO: 87-110

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY GAIN COORDINATORS

SUBJECT: PARTICIPATION OF STATE-ONLY AID TO FAMILIES WITH DEPENDENT CHILDREN
(AFDC) APPLICANTS AND RECIPIENTS IN GAIN

This is to inform you of state policy regarding participation of State-only AFDC applicants and recipients in the Greater Avenues for Independence (GAIN) Program.

It is the Department's interpretation of the GAIN Act of 1985 that the law does not preclude participation of State-only AFDC applicants and recipients but rather qualifies their participation as voluntary.

Therefore, effective immediately, State-only AFDC applicants and recipients may volunteer to participate in GAIN. This also includes AFDC cases currently aided with State-only funds under the terms of the following court decisions:

Reyna v. McMahon - Cases ineligible for federal AFDC because a parent is on strike.

Simon v. McMahon - Cases ineligible for federal AFDC because the parent is allowed to exclude children with income/property from the assistance unit. If excluded, that income/property is not used to determine eligibility or grant amount.

Darces v. Woods - Cases ineligible for federal AFDC because the needs of the undocumented minor are included in determining the amount of income available to the assistance unit from the minor's parent(s).

Refugee applicants and recipients who meet State AFDC-Unemployment (U) eligibility criteria but who have been in the United States less than 18 months are referred to the RCA program. These refugees may not volunteer for GAIN. However, if the county plan includes RCA applicants and recipients as participants in GAIN, the nonexempt RCA applicant and recipient would be a mandatory GAIN participant and the exempt RCA applicant and recipient could volunteer to participate in GAIN.

GEN 654 (2/82)

REGISTRATION REQUIREMENTS

State-only AFDC-U principal earners who are not ill, incapacitated, or over age 65 (see Manual of Policy and Procedures (MPP) 42-633 thru 42-635 for definitions) shall either register with the Employment Development Department Job Services (EDD-JS) office or volunteer to participate in GAIN. Exempt State-only AFDC applicants and recipients may also volunteer to participate in GAIN. Counties should use current procedures to refer the nonexempt State-only AFDC principal earner to EDD-JS for work registration or applicable procedures for GAIN registration.

TAX CREDITS

State-only AFDC applicants and recipients do not qualify for the Federal Targeted Jobs Tax Credit program. However, as GAIN registrants they do qualify the employer for the California Jobs Tax Credit program. Thus, counties are required to provide the tax credit form (CA 501) to all State-only AFDC applicants and recipients participating in GAIN. The counties are reminded when verifying registration status for the EDD-JS office to notify the office that the registrant is a State-only AFDC client.

DETERMINATION OF APPROPRIATE GAIN SERVICES

The State-only AFDC applicant/recipient who volunteers for the GAIN program is eligible for all appropriate GAIN services. However, counties shall not assign State-only AFDC-U participants to GAIN components which are likely to extend beyond the participants' maximum three month period of eligibility for aid.

PROCEDURES/PENALTIES FOR NONCOOPERATION

For purposes of State-only AFDC GAIN participants, the county shall apply the same procedures and penalties for noncooperation that are imposed on other volunteers to the GAIN program. Thus, when a State-only AFDC recipient fails or refuses to participate in accordance with GAIN program requirements, the county shall determine good cause as provided for in MPP 42-781. Conciliation procedures shall apply if no good cause is found.

If the State-only AFDC recipient engages in conduct which would result in sanctions for a mandatory participant, the individual shall be precluded from participating in GAIN for a six-month period. The GAIN Notice of Action M42-786C (GAIN Sanction of Volunteer-Deregistration) should be used to notify the State-only AFDC recipients of their discontinuance from the GAIN program. The State-only AFDC recipient should immediately be referred to the EDD-JS office for registration purposes, in order to continue to be eligible for aid.

COUNTY ALLOCATIONS

In order to reflect these participants in the budget proposal submitted with the GAIN county plan, counties are requested to submit an additional copy of

the Refugee/General Relief caseload form, the DFA 328.16A. The heading in column B of the additional copy of this form should be entitled "State-only AFDC caseload". The projected caseload figures would be entered in this form. These cases would also be included in the Caseload Matrix, DFA 328.16D. The County Administrative Expense Control Bureau will use a federal/nonfederal case count to determine the General Fund cost in the allocation development process.

We estimate the cost of the State-only AFDC cases can be absorbed within the allocations released for the Fiscal Year 1987/88. However, if an operating county believes these cases will cause an allocation overrun, the county should submit supporting documentation (e.g., number of actual State-only AFDC cases served and percentage of allocation expended in impacted components) to the County Administrative Expense Control Bureau, 744 P Street, M. S. 8-200, Sacramento, CA 95814.

STATISTICAL REPORTING REQUIREMENTS

Effective July 1, 1987, those GAIN counties who register State-only AFDC recipients in the GAIN program are to use separate reporting forms to report the State-only AFDC statistics. Therefore, counties are to submit each month a separate and additional GAIN 25 (GAIN Monthly Activity Report) and each quarter a separate and additional GAIN 31 (GAIN Quarterly Characteristics Report) for the State-only AFDC cases. Clearly mark at the top of these report forms "State-only AFDC registrants".

If there are no State-only AFDC participants in your county's GAIN program, footnote that information on the bottom of each of your regular monthly and quarterly GAIN reports. Footnoting your regular reports that your county has no State-only AFDC cases will save the expense of telephone contacts to verify whether your county will have an additional State-only AFDC registrants report.

As with the regular GAIN program, the GAIN 31 should be a count of GAIN 26 (GAIN Appraisal) forms completed on State-only AFDC registrants for each quarter.

The quarterly CA 811A (WIN Demo Program--GAIN Counties Only) report will still be required; however, the totals should not include State-only AFDC registrants on the form.


FISCAL CLAIMING INSTRUCTIONS

In order to claim the costs for State-only AFDC GAIN participants, the county administrative expense claim has been revised for the July-September 1987 quarter to incorporate a modification formula using the participant count reported on the GAIN 25 form to identify the State-only GAIN costs. The person count will be used in lieu of time study to determine the proportion of GAIN State-only administrative costs.

Costs of supportive services which are provided to State-only AFDC participants must be reported by component as a direct cost on the DFA 325.1B and must be identified as State-only. For example, child care for the Job Club component will be reported separately for federal and State-only participants. Additionally, costs of direct service contracts (e.g., assessment, Job Club, vocational training) must be allocated between federal and State-only participants and be identified separately on the DFA 325.1B.

Counties are reminded to monitor these cases closely so that status changes from State-only to federal AFDC will be recorded accurately and promptly on the fiscal and statistical reporting documents.

If you have any questions regarding this letter, please contact your GAIN County Operations Consultant. Questions regarding fiscal claiming instructions should be directed to the Fiscal Policy and Procedure Bureau at (916) 445-7046. The County Administrative Expense Control Bureau at (916) 322-5802 will respond to questions regarding the GAIN budget proposals or allocation. Statistical reporting information can be obtained by contacting Statistical Services at (916) 322-2230.


for CARL B. WILLIAMS
Deputy Director
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cc: CWDA

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